



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[C-580-910, C-821-827]

Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Republic of Korea and the Russian Federation: Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing countervailing duty (CVD) orders on seamless carbon and alloy steel standard, line, and pressure pipe (seamless pipe) from the Republic of Korea (Korea) and the Russian Federation (Russia).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Caitlin Monks (Russia), or Moses Song and Natasia Harrison (Korea), AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitutions Avenue, NW, Washington DC 20230; telephone: (202) 482-2670, (202) 482-7885, or (202) 482-1240, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on July 2, 2021, Commerce published in the *Federal Register* its affirmative final determinations in the CVD investigations of seamless pipe from Korea and Russia.¹ On August 16, 2021, the ITC notified Commerce of its affirmative final determinations, pursuant to section 705(d) of the Act,

¹ See *Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Republic of Korea: Final Affirmative Countervailing Duty Determination*, 86 FR 35267 (July 2, 2021); see also *Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Russian Federation: Final Affirmative Countervailing Duty Determination*, 86 FR 35263 (July 2, 2021).

that an industry in the United States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act, by reason of subsidized imports of seamless pipe from Korea and Russia.²

Scope of the Orders

The merchandise covered by these orders is seamless pipe from Korea and Russia. For a complete description of the scope of these orders, *see* the appendix to this notice.

Countervailing Duty Orders

In accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC has notified Commerce of its final determinations that the industry in the United States producing seamless pipe is materially injured by reason of subsidized imports of seamless pipe from Korea and Russia. Therefore, in accordance with section 705(c)(2) of the Act, we are issuing these CVD orders. Because the ITC determined that imports of seamless pipe from Korea and Russia are materially injuring a U.S. industry, unliquidated entries of such merchandise from Korea and Russia, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

Countervailing duties will be assessed on unliquidated entries of seamless pipe from Korea and Russia entered, or withdrawn from warehouse, for consumption on or after December 11, 2020, the date of publication of the preliminary determinations,³ but will not include entries occurring after the expiration of the provisional measures period and before the publication of the ITC's final injury determination under section 705(b) of the Act, as further described below.

Continuation of Suspension of Liquidation and Cash Deposits

² See ITC's Letter, "Notification of ITC Final Determinations," dated August 16, 2021; *see also Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Korea, Russia, and Ukraine*, ITC Investigation Nos. 701-TA-654-655 and 731-TA-1530-1532 (August 16, 2021).

³ *See Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Republic of Korea: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 80024 (December 11, 2020); *see also Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the Russian Federation: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 80007 (December 11, 2020) (*Russia Preliminary Determination*).

In accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties for all relevant entries of seamless pipe from Korea and Russia in an amount equal to the net countervailable subsidy rates for the subject merchandise. On or after the publication of the ITC's final injury determination in the *Federal Register*, CBP must require, at the same time as importers would normally deposit estimated import duties on this merchandise, cash deposits for each entry of subject merchandise equal to the rates noted below. These instructions suspending liquidation will remain in effect until further notice.

Korea:

Exporter/Producer	Subsidy Rate (<i>Ad Valorem</i>)
ILJIN Steel Corporation	1.78
All Others	1.78

Russia:

Exporter/Producer	Subsidy Rate (<i>Ad Valorem</i>)
PAO TMK / Volzhsky Pipe Plant Joint Stock Company ⁴	48.38
All Others	48.38

Provisional Measures

Section 703(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigations, Commerce published the preliminary determinations on December 11, 2020. As such, the four-month period beginning on the date of the publication of the preliminary determinations ended on April 9, 2021. Furthermore, section 707(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination. Therefore, in accordance with section 703(d) of the Act, we have instructed CBP to discontinue

⁴ Commerce found the following companies to be cross-owned with PAO TMK and Volzhsky Pipe Plant Joint Stock Company: Sinarsky Pipe Plant; Taganrog Metallurgical Plant Joint Stock Company; Sinarsky Pipe Plant Joint Stock Company; Seversky Pipe Plant Joint Stock Company; TMK CHERMET LLC; TMK CHERMET LLC Volzhsky; TMK CHERMET LLC Ekaterinburg; TMK CHERMET LLC Rostov; TMK CHERMET LLC Saratov; and TMK CHERMET LLC Service. See *Russia Preliminary Determination* PDM at 2-3 and 9-10.

the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of seamless pipe from Korea and Russia, entered, or withdrawn from warehouse, for consumption, on or after April 10, 2021, the day after provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Notification to Interested Parties

This notice constitutes the CVD orders with respect to seamless pipe from Korea and Russia, pursuant to section 706(a) of the Act. Interested parties can find a list of CVD orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These CVD orders are issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: August 18, 2021

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations.

Appendix

Scope of the Orders

The merchandise covered by the scope of these orders is seamless carbon and alloy steel (other than stainless steel) pipes and redraw hollows, less than or equal to 16 inches (406.4 mm) in nominal outside diameter, regardless of wall-thickness, manufacturing process (*e.g.*, hot-finished or cold-drawn), end finish (*e.g.*, plain end, beveled end, upset end, threaded, or threaded and coupled), of surface finish (*e.g.*, bare, lacquered or coated). Redraw hollows are any unfinished carbon or alloy steel (other than stainless steel) pipe or “hollow profiles” suitable for cold finishing operations, such as cold drawing, to meet the American Society for Testing and Materials (ASTM) or American Petroleum Institute (API) specifications referenced below, or comparable specifications. Specifically included within the scope are seamless carbon alloy steel (other than stainless steel) standard, line, and pressure pipes produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, ASTM A-1024, and API 51 specification, or comparable specifications, and meeting the physical parameters described above, regardless of application, with the exception of the exclusions discussed below.

Specifically excluded from the scope of the orders are: (1) all pipes meeting aerospace, hydraulic, and bearing tubing specifications, including pipe produced to the ASTM A-822 standard; (2) all pipes meeting the chemical requirements of ASTM A-335, whether finished or unfinished; and (3) unattached couplings. Also excluded from the scope of the orders are all mechanical, boiler, condenser and heat exchange tubing, except when such products conform to the dimensional requirements, *i.e.*, outside diameter and wall thickness, or ASTM A-53, ASTM A-106 or API 51 specification. Also excluded from the scope of the orders are: (1) oil country tubular goods consisting of drill pipe, casing, tubing and coupling stock; (2) all pipes meeting the chemical requirements of ASTM A-53, ASTM A-106 or API 5L; and (3) the exclusion for ASTM A-335 applies to pipes meeting the comparable specifications GOST 550-75.

Subject seamless standard, line, and pressure pipe are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.51.5005, 7304.51.5060, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, and 7304.59.8070. The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive.